



# **Permitting Atlanta's *Growth*...**



## **City of Atlanta**

### *Development Incentives Workshop*

April 25, 2006



# Permitting Atlanta's *Growth*...



## AGENDA

- Urban Enterprise Zones- Sarah Wade Hicks
- Renewal Community Credits- Lisa Hawkins
- Historic Preservation- Doug Young
- Brownfield Grants- Garnett Brown
- Impact Fee Exemptions- Chuck Adair
- Barrier Free Ordinance- Terri Lee, Chuck Adair
- Affordable Workforce Housing- Terri Lee



# Permitting Atlanta's *Growth*...



Title: Urban Enterprise Zones

Presented by: Ms. Sara Wade Hicks  
Department/Organization: City of Atlanta, Bureau of Planning  
Contact: 404-330-6728  
<http://www.atlantaga.gov/government/planning/uez.aspx>

# Permitting Atlanta's *Growth*...



## What is an Urban Enterprise Zone?

- An area within a “depressed” neighborhood where, to encourage private development and investment, and to expand the tax base, the City of Atlanta may abate ad valorem taxes on new development, rehabilitation and certain inventories. The City may also waive development impact fees associated with development within these areas.



# Permitting Atlanta's *Growth*...



## Types of UEZs:

- Housing
- Commercial
- Mixed-Use  
Residential/Commercial
- Industrial
- Mixed-Use  
Commercial/Industrial



Centennial Place  
Housing Enterprise Zone



Legacy at Centennial  
Olympic Park  
Enterprise Zone



High Point Estates  
Housing Enterprise Zone



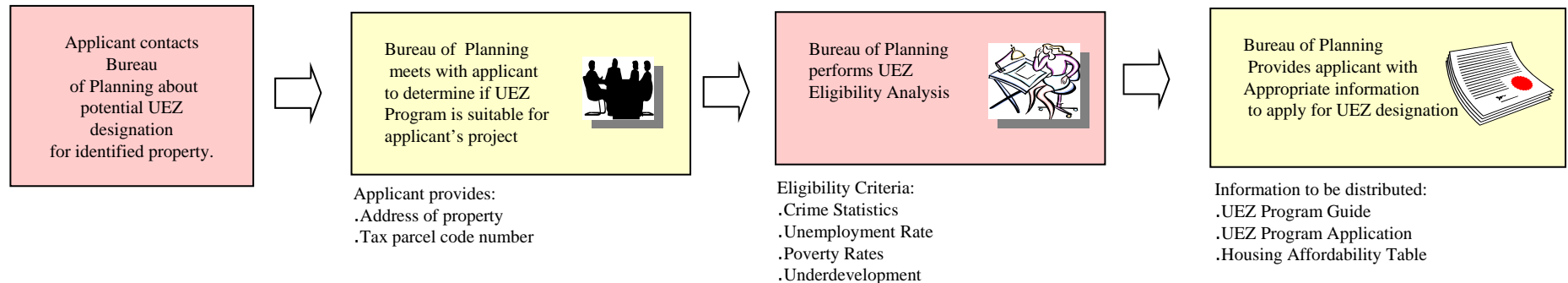
City Plaza  
Residential/Commercial  
Enterprise Zone

# Permitting Atlanta's *Growth*...

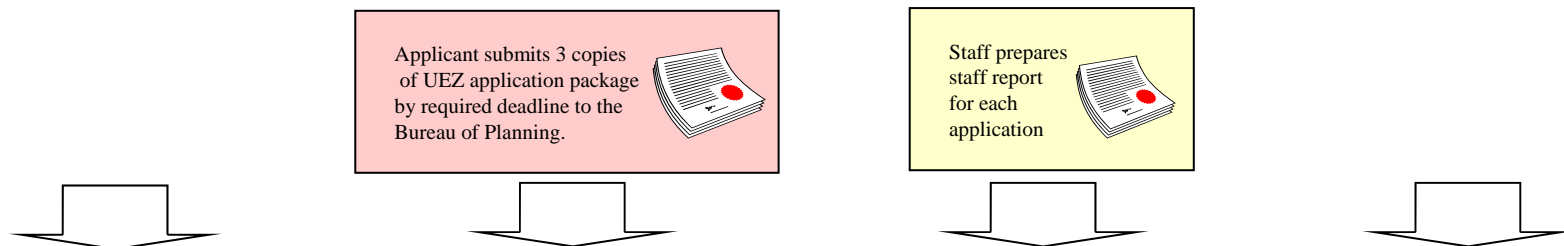


## What is the process?

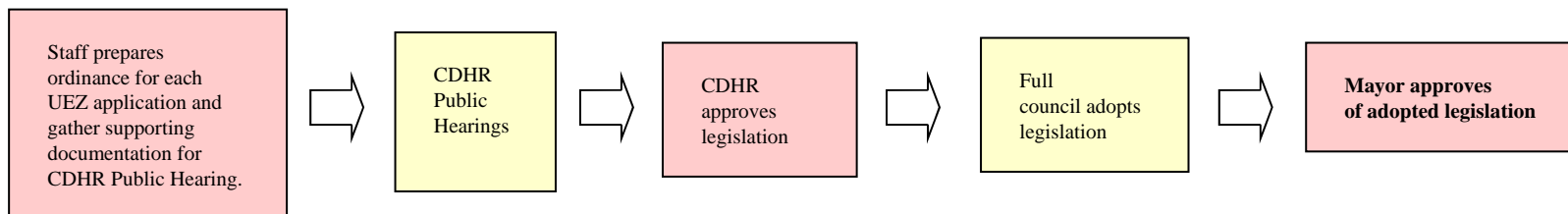
### Pre-Application Process



### Application Process



### Legislation Process





# Permitting Atlanta's *Growth*...



## Cycles

Past Cycles – 2 Annual:

Application Deadline

January 31<sup>st</sup> – Cycle 1

June 30<sup>th</sup> – Cycle 2

Current Cycles – 4 Annual:

2006 Application Deadline

December 30<sup>th</sup> – Cycle 1

March 30<sup>th</sup> – Cycle 2

June 30<sup>th</sup> – Cycle 3

October 2<sup>nd</sup> – Cycle 4

The increase in the number of cycles gives the applicants more opportunities to submit applications each year. (If an applicant misses the first cycle, they have 3 more opportunities to file).



# Permitting Atlanta's *Growth*...



## Changes



- Mandatory pre-application meeting to allow applicants to meet with city staff to respond to any questions on the front end of the application process.
- Separate and distinct applications for each type of enterprise zone.
- All application types are can be downloaded from the City of Atlanta's website.
- More specific deadlines for applicants to provide the city with more detailed information to aid in the processing of applications.
- Applicant must present to the affected Neighborhood Planning Unit (NPU) prior to the submittal of an application to the Bureau of Planning.





# Permitting Atlanta's *Growth*...



## Atlanta Renewal Community:

### *Tax Incentives for Developers*

Presented by:

Lisa L. Hawkins, Esq., Atlanta Renewal Community  
Enterprise Community Partners

404.522.3970



# Permitting Atlanta's *Growth...*

## RC Overview



- The Community Renewal Tax Relief Act of 2000 (P.L. 106-554) authorized the U.S. Department of Housing and Urban Development (HUD) to designate “Renewal Communities.”
- During “Round One,” HUD designated 40 Renewal Communities throughout the nation, including the City of Atlanta Renewal Community.
- Similar to the former Atlanta Empowerment Zone (EZ) Program, the Renewal Community (RC) Program is targeted towards the poorest communities demonstrating the greatest need for economic revitalization.

Atlanta Renewal Community's Tax Incentives for Developers



# Permitting Atlanta's *Growth*...

## RC Overview



These newly designated Renewal Communities are eligible to share in a total of \$11 billion in federal tax incentives aimed at:

1. Stimulating job growth
2. Promoting economic development
3. Creating affordable housing

Atlanta Renewal Community's Tax Incentives for Developers

# Census Tracts of the Renewal Community and Atlanta Empowerment Zone



COBB

Atlanta

FULTON  
DEKALB

East Point

0 2 4 6 8 Miles

-  Interstate
-  County
-  Atlanta

## Census tracts

-  AEZ
-  RC
-  RC & AEZ

Prepared November 2005 by  
Data and Policy Analysis (DAPA)  
at Georgia Tech



# **Permitting Atlanta's *Growth...***

## **The Commercial Revitalization**

### **Deduction**

- Each Renewal Community is allocated **\$12 million** per year for the Commercial Revitalization Deduction (CRD). This is the only **competitive tax incentive**.
- The CRD serves as an incentive to purchase or “substantially rehabilitate” (>85%) non-residential real property in the Renewal Community.
- Awards range from smaller allocations up to \$10 million per project for commercial or industrial buildings developed or “substantially rehabilitated” within the RC.

Atlanta Renewal Community's Tax Incentives for Developers



# Permitting Atlanta's *Growth...* The Commercial Revitalization Deduction

A CRD allocation enables businesses to **EITHER** deduct 50% of their eligible expenditures (up to \$5 million) in the year the building is placed into service **OR** deduct the full amount of eligible expenditures, pro rata, over the next 10 years.

**EXAMPLE:** CRD recipient receives a \$2 million award. This business may opt to either:

**(1) Deduct \$1 million from its federal tax liability for that FY, allowing the remaining amount to depreciate on a normal schedule;**

**OR**

**(2) Deduct \$200,000 each FY over the next ten years.**

Atlanta Renewal Community's Tax Incentives for  
Developers



# Permitting Atlanta's *Growth...* **The Brownfield Deduction**



Businesses can **deduct 100% of all costs associated with cleaning up Brownfields**, *as defined in IRS Code Section 198(d)*, in the Fiscal Year that such expense is incurred for any Brownfield site in the RC ... PERIOD!



Atlanta Renewal Community's Tax Incentives for Developers





# Permitting Atlanta's *Growth*...



Title: Historic Preservation Incentives

Presented by:

Doug Young

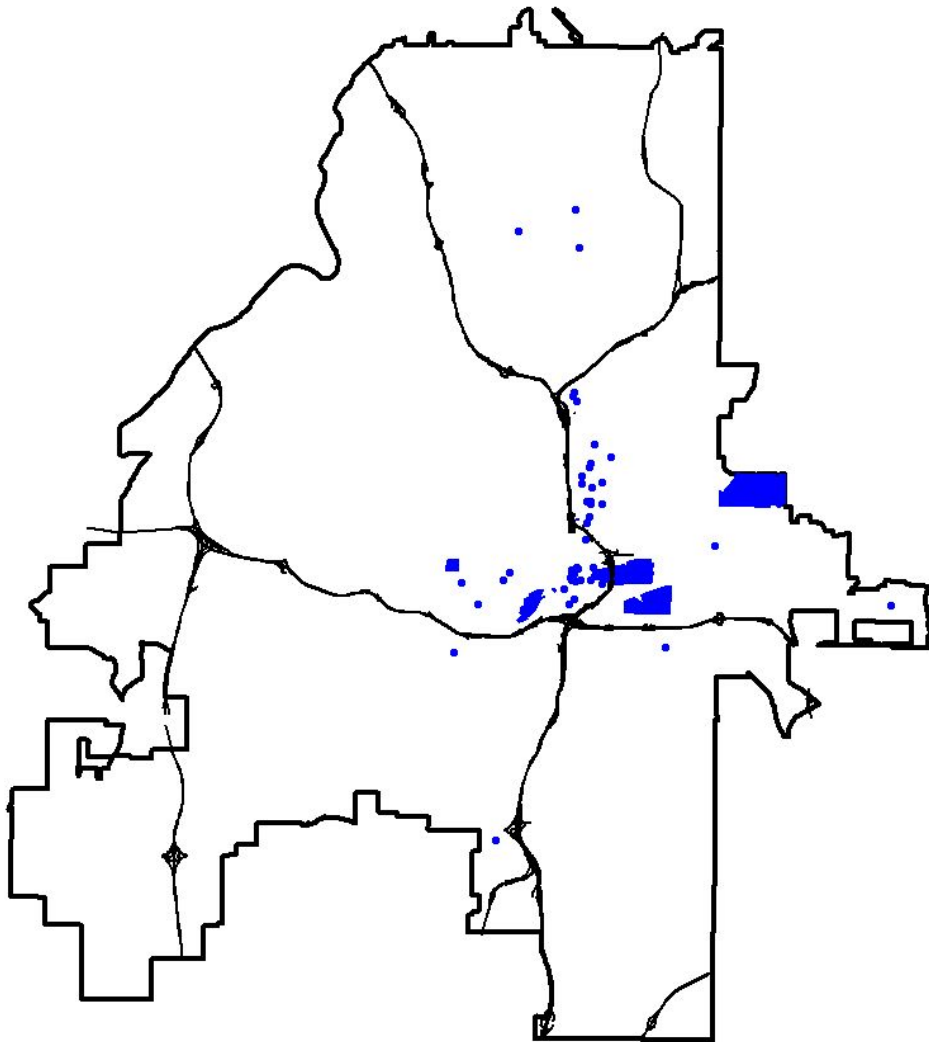
Department/Organization: City of Atlanta, Urban Design  
Commission

Contact:

404-330-6200

<http://www.atlantaga.gov/government/urbandesign/faq.aspx>

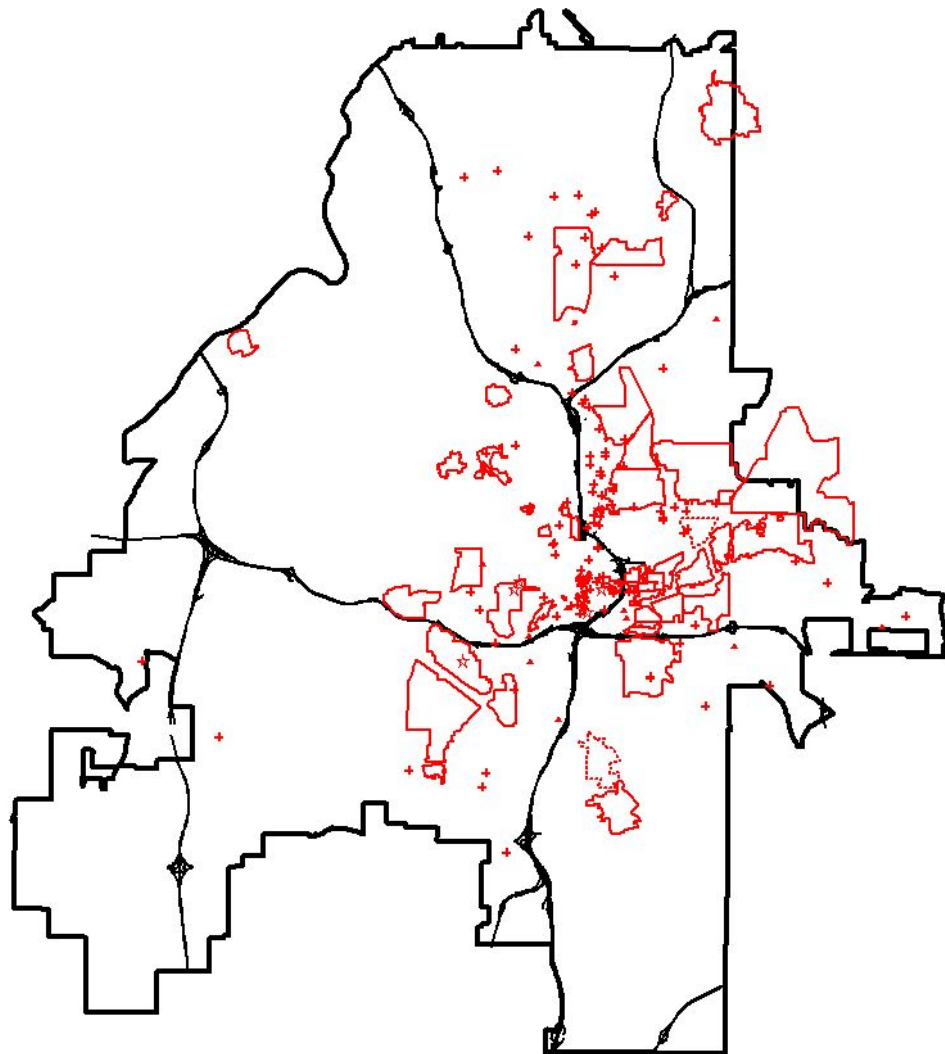
# Permitting Atlanta's *Growth...*



## Landmark District or Building

- ***Property Tax Abatement***
  - Income-producing properties
  - Building must be in standard repair or already rehabilitated
  - City of Atlanta taxes only
  - Can include 2 acres of land
  - Years 1 thru 8 – freeze in effect
  - Year 9 – increased by ½ of difference between frozen value and current fair market value
  - Year 10 – current fair market value
- ***City of Atlanta Development Impact Fee Exemption***
  - All types of properties
  - Property must be proposed for rehabilitation/conversion

# Permitting Atlanta's *Growth...*



## Georgia Register of Historic Places

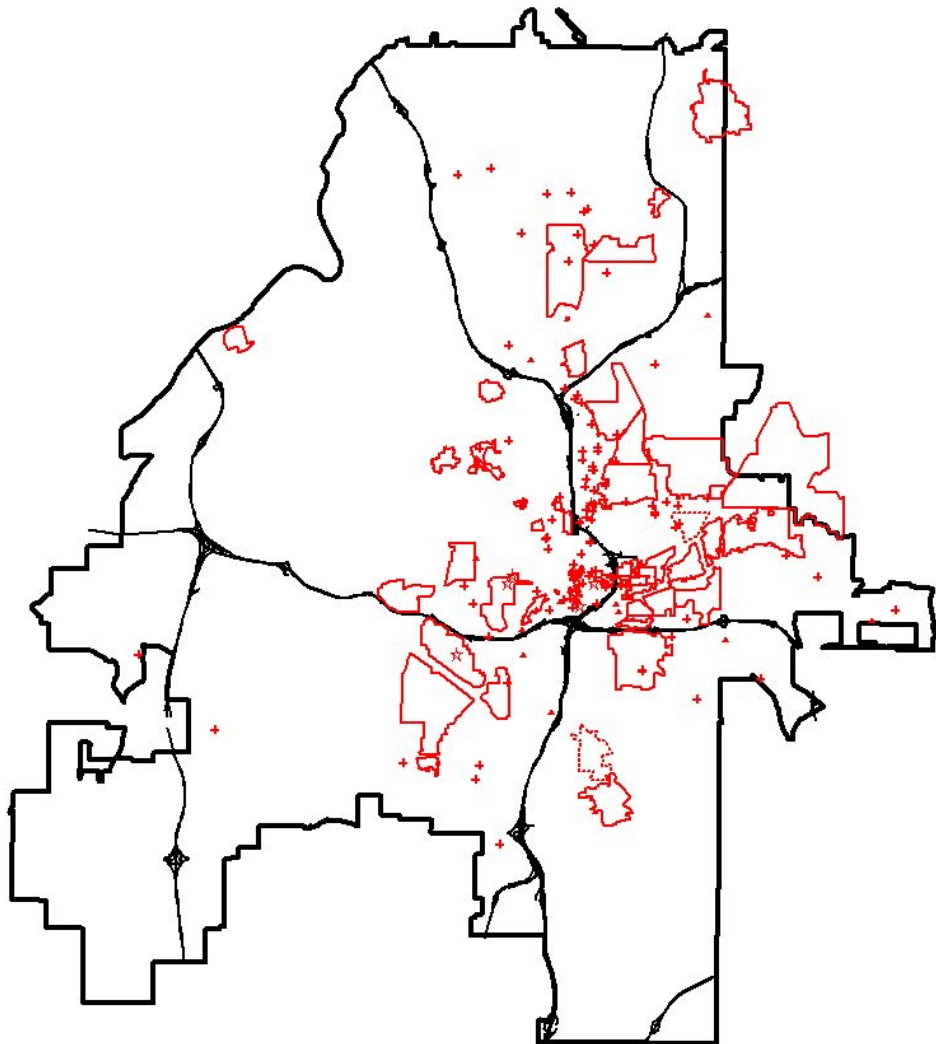
- ***Property Tax Abatement***

- All property types
- Building must be rehabilitated using a approved, preservation-based approach – increase market value of building by 50% for residential buildings and 100% for commercial buildings
- City and County taxes frozen at pre-rehabilitation level
- Years 1 thru 8 – freeze in effect
- Year 9 – increased by ½ of difference between frozen value and current fair market value
- Year 10 – current fair market value

- ***State Income Tax Credit***

- All residential property
- Building must be rehabilitated using a approved, preservation-based approach
- Credit, equal to 10% of the rehabilitation expenses, up to \$5,000

# Permitting Atlanta's *Growth...*



## National Register of Historic Places

- ***Federal Income Tax Credit***
  - Listed in or eligible for listing in National Register
  - Income-producing property
  - Building must be rehabilitated using an approved, preservation-based approach
  - Credit to owner or long-term lease
  - Credit equal to 20% of qualified rehabilitation expenses
  - Credits can be bought and sold on secondary market
- ***Façade Easement***
  - Listed in or eligible for listing
  - Legally enforceable commitment by property owner to preserve façade in perpetuity
  - Federal and state income tax deduction for charitable donation to non-profit easement holder





# Permitting Atlanta's *Growth...*



Title: Brownfield Grants

Presented by: Mr. Garnett Brown  
Department/Organization: City of Atlanta, Bureau of Planning  
Contact: 404-330-6724  
<http://www.atlantaga.gov/government/planning/brownfields.aspx>



# Permitting Atlanta's *Growth...*



## Brownfields Definition

Real property which may have the presence or potential presence of a hazardous substance, pollutant, or contaminant.





## National Program Emphasis



- Economic Development Projects
- Redevelopment and Jobs
- Open Space and Parks
- Human health and the environment
- Local Community Involvement
- Environmental Justice





## Brownfield Grants

- Assessment up to \$200,000 (site-specific up to \$350,000 with waiver) – 3 year Project Period
- Cleanup up to \$200,000 per site - 3 year Project Period
- Job Training up to \$200,00 – 2 year Project Period
- Revolving Loan Funds up to \$1million – 5 year Project Period
- Approximately \$72 million available for 200 grants in 2006





## Atlanta Assessment Grants

- Limited to a total of \$400,00
  - \$200,000 for hazardous substances
  - \$200,00 for petroleum
- Atlanta Projects Activities
  - Assessment
  - Cleanup
  - Citizen Involvement
  - Master Planning





# Permitting Atlanta's *Growth...*



## Cleanup Grants

- Applicant can apply for up to five sites - \$200,000 each
- Separate proposal for each site
- Applicant must be sole owner & own property no later than June 30, 2005 or not eligible for funding
- ASTM Phase I Report completed & minimum of Phase II Assessment complete
- 20% cost share



# Permitting Atlanta's *Growth*...



## Revolving Loan Fund Grants

### Up to \$1,000,000

- Certain Federal Cleanup Requirements Apply to All Cleanup Activities
  - (e.g. Community Notice)
- 20% Cost Share
  - Money, labor, material or services
  - Eligible and allowable costs
- Coalitions may apply
- Up to 40% of RLF Funds May Be Used for Direct Cleanup
  - Subgrants to Eligible Entities and Nonprofits
  - Subgrantee must own the property
- 60% must be used for loans
  - Applicant can loan to itself



# The City of Atlanta Sustainable Brownfields Redevelopment Project



## BROWNFIELDS 101 PUBLIC WORKSHOP

Saturday May 6, 2006

9:00am – 12:30pm

City Hall Committee Room **1**

55 Trinity Ave

2<sup>nd</sup> floor

Atlanta, GA 30303

Mark your Calendar!!!!

Brownfields  
Economic Redevelopment

Properties Contaminated  
with  
Petroleum, Gas, Oil &  
Hazardous substances.



Does your  
Neighborhood have  
Contaminated Properties?

Clean up and reuse of contaminated properties



Contact  
Garnett Brown  
(404) 330-6724

Contact  
Michele McIntoshRoss  
(404) 330-6786

Learn more about the **Brownfield Redevelopment Project**. Visit the website at  
<http://www.atlantaga.gov/government/planning/brownfields.aspx>





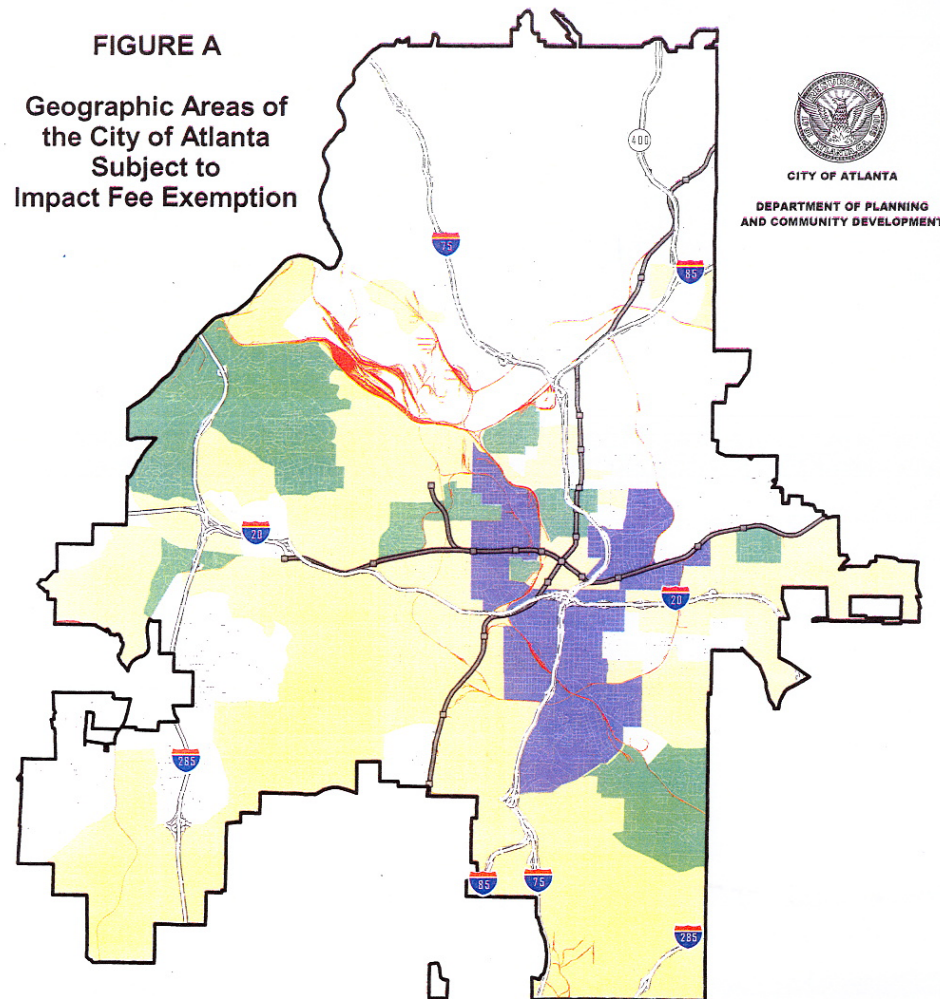
# **Permitting Atlanta's Growth...**



**City of Atlanta  
Impact Fee Exemptions  
Developer's Day  
April 25, 2006**

**Presented by:  
Chuck Adair, Chief of Permitting  
404.330.6153**

**FIGURE A**  
**Geographic Areas of  
 the City of Atlanta  
 Subject to  
 Impact Fee Exemption**



CITY OF ATLANTA

DEPARTMENT OF PLANNING  
 AND COMMUNITY DEVELOPMENT

**Areas Qualifying for Exemptions:**

- Empowerment Zone
- Linkage Communities
- CDIA\*

\* Exemptions granted within CDIA for:

- Not-For-Profit Daycare, Vocational Training, or Educational Facilities
- Commercial development projects that either:
  - generate annual revenues of \$500,000 or more, of which at least 75% would be derived from the sale of goods and services to residents of the Empowerment Zone or Linkage Communities, or
  - create ten or more permanent jobs, of which at least 75% would be filled through the first source jobs program by qualified residents of the Empowerment Zone and Linkage Communities

**Other Impact Fee Exemptions or  
 Adjustments Not Shown on Map:**

- Any development located within a designated housing, commercial, industrial, or mixed-use Enterprise Zone (Established individually by ordinance)
- The rehabilitation or conversion of any Historic Building
- The construction of any private Not-For-Profit Recreational Facility
- The construction of any Not-For-Profit Homeless Facility
- Affordable Housing:
  - For Sale units with sales price equal or lower than 1.5x the median family income (100% exemption)
  - For Sale units with a sales price between 1.5x and 2.5x then median family income (50% exemption)
  - Rental housing equal or less than 60% of fair market rent (100% exemption)
  - Rental housing between 60% and 80% of fair market rent (50% exemption)
- Transportation Impact Fee shall be reduced by 50%... [for] ...projects within 1,000 feet of a MARTA station, measured from property line to property line along a legal and practical pedestrian route.



# Permitting Atlanta's Growth...



## City of Atlanta Overview of Barrier Free Ordinance Developer's Day April 25, 2006

Presented by:

Terri Lee, Director, Bureau of Housing, 404.330.6643

Chuck Adair, Chief of Permitting, 404.330.6153



# FACTS



- Atlanta's Barrier Free Ordinance passed in 1992, the first initiative in the nation to lead the way to change in designing new homes with accessible design.
- Common sense, changing demographics and inclusive communities make this a best practice for all cities to follow.
- *It's easy:*
  - Begin the zero-step entrance at the plan stage...
  - Site the home with the zero-step in mind and grade for the zero-step.
  - The slope of the incline must not exceed one inch in height for every foot in length. It is best to go less steep when possible.
- *In it inexpensive:*
  - Zero-Step entrances and wide doors over stepped entrances and narrow doors: \$20 to \$620.

***The Atlanta Affiliate of Habitat for Humanity*** voluntarily began building all their homes with basic access in 1990. Here is an example of Habitat Atlanta's hundreds of homes with accessible design.



# Overview of Ordinance



## *What Developments are Applicable?*

- New Single-Family, Duplexes & Triplexes
- Receiving City of Atlanta Incentive for the Project:
  - Impact Fee Exemption
  - Tax Exempt Financing
  - Tax Allocation Districts
  - Community Development Block Grant
  - HOME Investment Partnership Program
  - Renewal Community
  - Urban Enterprise Zone



A zero-step entrance is **convenient** for all.

## ***Requirement 1. Building entrances.***



...Must have at least one (1) building entrance on an accessible route served by a ramp complying with ANSI A117.1-1986...

***Any entrance at the front, side or back of the dwelling is acceptable as long as it is served by an accessible route such as a garage or sidewalk.***



**Regardless of circumstance,  
a well designed zero-step entrance is an amenity.**

## *Requirement 2. Interior door criteria.*



...All dwelling units shall be designed that all the doors designed to allow passage into and within all premises are sufficiently wide to allow passage by persons in wheelchairs. Lever hardware is required...

***Doors, except those serving closets..., within individual dwelling units intended for user passage must provide minimum 32" clear opening...***



Most halls in new homes already accept a 2'10" door.

## ***Requirement 3. Accessible routes into and through the dwelling unit.***



...An accessible route shall be designed and constructed in such a manner that a 36" wide level route, except at doors, must be provided through the main floor of the unit with ramped or beveled changes at door thresholds. ...

***Zero step entrance can be at the front, back, the driveway to the side of the front porch....***



...or through the garage.

## ***Requirement 4. Wall reinforcement in bathrooms.***



...Reinforcement in the walls shall be provided at designated locations so that grab bars may be installed, if needed, at a later date without the necessity of removing portions of the existing wall. ...

***Can provide residing at home  
with a temporary disability  
physically safer.***



... Essential for many...

## ***Requirement 5. Light switches, electrical outlets, thermostats and other environmental controls.***



...All units shall be designed and constructed in such a manner that all premises contain light switches, electrical outlets, thermostats and other controls in accessible locations.



***..Zero Step entrance from garage with easy access for lights and automatic door***



... makes it easy for folks of all sizes, all situations...





# Permitting Atlanta's *Growth...*



Title: Affordable Workforce Housing

Presented by:

Terri M. Lee, Director, Bureau of Housing

Department of Planning and Community Development

404.330.6643

# Permitting Atlanta's *Growth*...



Estimated need for  
assistance for  
30,000-50,000  
units today in City

**X**

**=**

Typical average  
subsidies for rentals  
(over time) or  
owner-occupied (one  
time) are \$30,000 -  
\$50,000 per unit

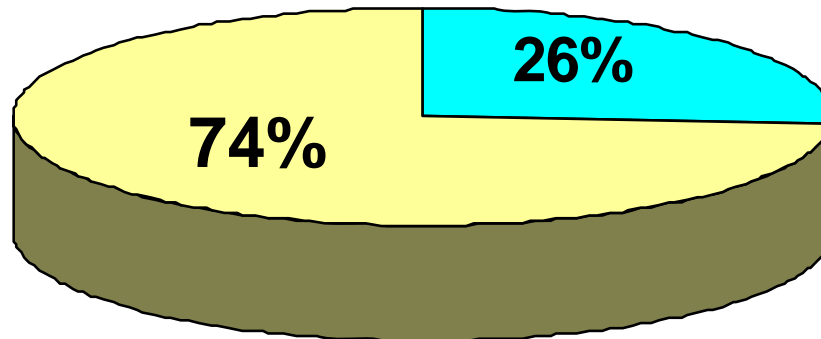
Needed range of  
**\$1 billion - \$2 billion**  
just to address existing  
needs – and we know  
more people are coming!



# Permitting Atlanta's *Growth*...



**ANALYSIS OF RESIDENCE ZIP CODE FOR CITY EMPLOYEES**  
**100% = 8,372 City of Atlanta Employees**



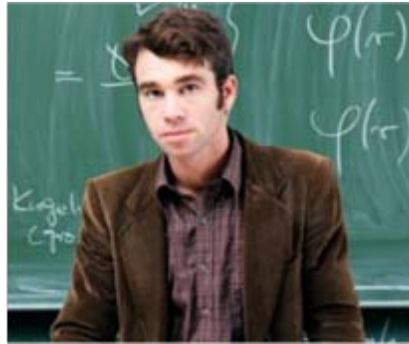
**3/4 of City Employees Do  
Not Live Inside City Limits**  
*(83% of this group earns \$21k - \$56k)*



# Permitting Atlanta's *Growth*..



New APS Teacher



Policeman, Part-Time Nurse, & 1 Child



Firefighter and Admin. Assistant



Income

\$40,000

\$65,000

\$62,000

Maximum Affordable Rent

\$900

\$1,525

\$1,450

Maximum Aff. Home Price

\$116,000

\$188,500

\$179,800

**MOST NEW HOMES IN CITY ARE PRICED OVER \$200k**  
**MOST RESALES ARE PRICED OVER \$175k**

% Metro Area Median Income Adjusted for Household Size

80%

100%

110%



# Permitting Atlanta's *Growth*..



## Affordable Workforce Housing Priorities:

- Addressing the need for the creation of a property assemblage program for affordable workforce housing opportunities;
- Developing zoning policies to assist with the promotion of affordable workforce housing developments; and,
- Addressing the need to create an affordable workforce housing fund.